

**Mr. Horner:** In the light of the poor attendance of cabinet members, including the Minister of Transport, I should like this debate to continue for another day or two so that we can get answers to our questions and complaints with regard to the operation of the Department of Transport, the CNR and Air Canada. If we could carry on, we might be lucky enough to bombard the Minister of Transport for a minute or two while he happens to grace the House with his presence.

**Mr. Knowles (Winnipeg North Centre):** May I call it one o'clock, Mr. Speaker?

**The Acting Speaker (Mr. Laniel):** It being one o'clock, I do now leave the chair. The House will resume sitting at two o'clock p.m.

At one o'clock the House took recess.

#### AFTER RECESS

The House resumed at 2 p.m.

**Mr. Stanley Knowles (Winnipeg North Centre):** Mr. Speaker, as the Minister of Finance (Mr. Benson) pointed out, Bill C-186 is a routine piece of legislation. We have had bills like this one almost every year for quite a number of years, and there has been a tendency on our part to give these bills perfunctory treatment. Mind you, that attitude has changed in recent years. I suggest that on this occasion we, in this House, should take a good, hard look at what we are being asked for and a good, hard look at the position in which we are being placed.

We are being asked to approve a bill which authorizes the making, by Canadian National Railways and Air Canada its subsidiary, of very substantial loans. We are being asked to guarantee those loans and even to give the assurance that if there is a falling behind on the part of CNR or Air Canada, the loss will be made up out of the public treasury. It seems to me, Mr. Speaker, that because this is the position in which we are placed, we have both the right and the obligation, here in Parliament, to speak plainly to the Canadian National Railways. As I say, in former years there has been a tendency to regard bills of this kind as formal bills that are given routine treatment and passed. I think it would also be correct for me to say, almost by way of admission, that because we in this party favour public ownership, there has been a tendency on our part not to be unduly critical of the Canadian National Railways. Speaking for my colleagues, we think that we are coming to the end of that era. We are losing patience with some of the things that the CNR does and some of the things that the CNR has failed to do. We believe that the debate on the second reading of this bill is an occasion on which we ought to talk "turkey" to the Canadian National Railways.

I realize that it is frequently argued in this House that Crown corporations are independent bodies, and that once we have set them up we should not interfere in

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their day to day administration. That principle has been laid down with respect to Canadian National Railways, Air Canada, the Canadian Broadcasting Corporation, and so on. In general terms this is, I believe, a good principle. But there are times when the line between day to day administration and broad policy is a bit grey. I would still contend that we should not interfere with day to day administration, but when a Crown corporation such as the Canadian National does things which in terms of broad policy, in terms of principle, are offensive to the views of Parliament, then I think we ought to say so, and we who strongly support public ownership are prepared to say so to the CNR. A number of my hon. friends will be dealing with subjects to which reference has already been made in this debate, such as the abandonment of railway lines and the deterioration of railway services. This very bill asks for moneys with which to build more branch lines, yet at the same time we have a railway system which is abandoning many of the services it is supposed to provide.

• (2:10 p.m.)

I realize that when we talk about railway services in Canada we cannot think in terms of one line only. We are thinking today about the CNR because the bill before us concerns that company. Nevertheless, we shall be keeping in mind the policies pursued by the private company, the CPR. I realize it is not our prerogative in connection with this bill to talk about the Canadian Pacific Railway, but there is something I should like to say, something which I believe Your Honour will agree I have the right to say: I do not mind the CN claiming to be a body independent of Parliament as far as day to day administration is concerned, but when we get the notion that this so-called independence becomes almost a readiness to do whatever the CPR wishes, it is time for us to step in. If anybody is going to run the CN, let it be Parliament, not the CPR. I believe that in far too many areas the CNR does what the CPR does, and what the CPR wants it to do. Maybe there are times when it resists, but the resistance does not last very long, and for reasons of this kind I feel we should just speak plainly to the CN through the medium of this debate on the second reading of the bill before us.

I know it will be said by some of those who speak for the government—in this instance I mean cabinet ministers, because I believe the backbenchers on the Liberal side feel as we do about this—that we should allow the bill to go to committee where CN officials could be asked to appear and give an account of what they are doing. Well, we have been through that a number of times, but no matter what we may say to the CN, unless we get some backing from the government it does not amount to very much. This is why I believe that during the course of the debate it will be necessary to obtain certain commitments from the government to the effect that the government will back us up in the demands we make in Parliament upon the railway company.

As I have said, there are many questions to be discussed—the abandonment of rail lines on the one hand, and deteriorating services on the other. There is the